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CIA-RDP85T00875R001100130

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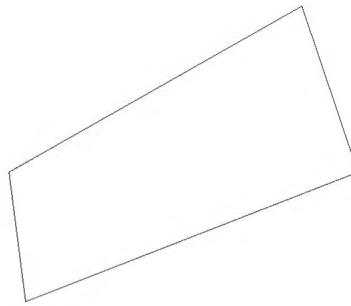
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**DIRECTORATE OF  
INTELLIGENCE**

# Intelligence Memorandum

*President Thieu Builds a New Party*

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87

22 February 1972  
No. 0837/72

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CENTRAL INTELLIGENCE AGENCY  
Directorate of Intelligence  
22 February 1972

INTELLIGENCE MEMORANDUM

President Thieu Builds a New Party

Introduction

Although the Communists have been unable to defeat South Vietnam militarily, some observers believe that the Saigon government would come off second best in a political confrontation with the Communists. President Thieu, aware that political weakness could be his Achilles' heel, is making a major effort to build a strong national party to support the government--and himself. On several occasions in the past Thieu has sought to mobilize greater political support, but he seldom followed through. Since his re-election last fall, Thieu probably thinks he is in a position to move more effectively. In that election the President successfully faced down all non-Communist opposition and clearly demonstrated, if not an impressive popular mandate, at least a significant capacity to outmaneuver his challengers.

The peace offers by President Nixon and President Thieu last month have reinforced speculation in Saigon that Thieu's new party is designed to meet political competition from the Communists after the war. A strong government party would be a key element in such a situation, and Thieu undoubtedly took the possibility of a peace settlement into account when deciding to set up his party. Thus far there has been little sense of urgency in efforts to organize the party, and it is doubtful that the party would be much real help in meeting a political challenge from the Communists in the near future.

Note: This memorandum was prepared by the Office of Current Intelligence and coordinated within CIA.

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Thieu had the party in mind well before the peace initiative, however, and his main concern appears to be his own long-range future. During his early years in office, Thieu's main sources of support were the South Vietnamese Army and the US. The US troop withdrawal and the continuing Communist threat may have forced Thieu to see the need for broader political support. There are some indications that the President may already be thinking of a bid for a third term in 1975 and that the new party is intended to serve this ambition. Although Thieu has publicly denied any third-term ambitions, in private he has admitted that he plans to remain a political force as head of the party even after he leaves office. His aides are already preparing to run candidates of the new party in the next national elections--the Senate contests slated for mid-1973.

-2-

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Thieu's Early Efforts

1. As Thieu proceeds with his latest party-building effort, he doubtless will try to avoid mistakes made during earlier efforts to broaden his political base. Throughout 1968 and 1969 Thieu attempted to work with the leaders of conservative parties which usually supported the government, trying to institutionalize his ties with them and bring them more firmly into the government camp. As a military man, however, the President had little experience and less appetite for dealing with politicians. He realized that most of the country's political parties were small urban-based factions with little mass support, and he left the impression that he was seeking their backing mainly at the urging of the US. Moreover, Thieu avoided a full commitment to these efforts and refused to give the politicians an important voice in his government, preferring to rely on bureaucrats and old military colleagues.

2. The most ambitious effort to ally the politicians with the government, the National Social Democratic Front, was formed in the spring of 1969. It developed into a loose coalition of six small political parties but showed signs of real life only on the infrequent occasions when Thieu took a direct interest. Within a few months, Thieu tired of the constant bickering among the politicians and their bids for greater power and influence in the government. For their part, the politicians were reluctant to give up any of their independence and merge into a single party, particularly when Thieu refused to give them any cabinet positions. The front was allowed to die quietly sometime in 1970, although it was never formally dissolved.

3. Thieu had alternative plans for strengthening his political position, and he successfully developed and effectively used these in his recent re-election campaign. The President concentrated on broadening his support in the countryside through closer ties with the bureaucracy, local elected officials, and the army. He encouraged the development of elected councils at village, hamlet, and

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provincial levels. He worked hard to ensure the loyalty of appointed officials and army officers.

4. Thieu also has benefited from improved economic conditions and better security in rural areas, particularly in the southern part of the country where the government's land reform program has given many peasants a greater stake in the system. During his re-election campaign last year, Thieu made frequent trips to the provinces to build up his image in the rural areas. He relied heavily on local officials and used his influence with members of the provincial councils to prevent Vice President Ky from gaining the necessary support to qualify as a presidential candidate. As a result, Thieu has become the best-known South Vietnamese leader since the late President Diem, and, although not highly popular, he seems to be well regarded among rural residents in many areas.

The New "Democracy Party"

5. Thieu is now in the process of institutionalizing the assets that served him so well in the election. At least as early as last spring Thieu and his aides were formulating plans for a government party as a major project for the President's second term. Originally, Thieu returned to the notion of bringing existing parties and politicians together, apparently hoping to base his new organization on a merger of the two most effective and best organized parties. Once again, however, movement in this direction was hampered by mutual mistrust between Thieu and the politicians; each waited for the other to make the first move. The President soon abandoned the idea to concentrate instead on developing his support in rural areas through local officials and the army. Under the new plan, he and his aides began to envision the Thieu party as a kind of khaki-cadre organization.

6. Recruiting efforts for the party--tentatively called the Democracy Party--began in earnest right after Thieu's re-election last October. Although the President appears fully committed to the

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project, he has left organizational activities to his aides. This spadework is still in its early stages and is proceeding slowly. The party probably will not be launched in public for many months, perhaps just in time to begin preparations for the Senate election campaign next year.

7. Organizers of the Democracy Party have concentrated largely on Saigon and on the northern provinces thus far. In the capital some staunchly pro-government legislators and other prominent political figures have been recruited. At the same time, Thieu has begun to make a series of changes among his province chiefs, reportedly in part to put able men of unquestioned loyalty in charge of the provincial party-building efforts. In the north, bureaucrats from the provincial level down to the village have been signed up. Many army officers stationed in the area also have been approached.

8. It is not entirely clear why Thieu's aides have concentrated on the northern provinces. They may be using the area as a testing ground before setting up the party on a nationwide basis. Since it is the main center of strength for the opposition An Quang Buddhists and a weak area for the government, it is here that the party presumably can do Thieu's cause the most good. It is here that the party will meet its sternest test. The north also is the area of greatest political activity outside of Saigon, and the existing parties generally are better organized and more numerous than elsewhere. Many local officials, who are being sought for the President's party, are members of these parties.

9. Some aspects of the Democracy Party are reminiscent of the Can Lao Party under Diem. The controversial Can Lao consisted of a nationwide network of cadre, most of whom were officials in key positions. It conducted its business in secret. Its chief job was to provide the Diem regime with information on opponents. The Can Lao was held together by fear and greed rather than common ideology, and many members gained substantial economic benefits from their positions.

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10. Like the Can Lao, all of the Democracy Party's activities thus far have been behind the scenes. Some new members have been sworn in with secret ceremonies complete with oaths of loyalty to Thieu. The President's aides have admitted that setting up a secret apparatus throughout the country to exercise tight control over the new organization will take priority over forming overt party machinery. On occasion, Thieu has privately expressed admiration for former Can Lao leaders and their methods. Some of these leaders are still active in politics today, but there is no indication that they will play an important role in the Democracy Party. Thieu and his aides have indicated that unlike the Can Lao, they plan eventually to create a broad-based mass party. In addition to the secret apparatus there are to be overt sections representing youth, peasants, and labor, as well as a legislative section. There is also to be a separate element for the army.

Mixed Reaction

11. Recruiters for the Democracy Party have met with a varied reception in the northern provinces. Many local officials and army officers have joined, because they believe that party membership might advance their careers. Others have shown a reluctance to cut their ties with their parties to join one that still is an unknown quantity. Despite Thieu's show of strength at the polls last year, some potential members are uncertain about his tenure in office and fear that if he should be replaced reprisals could follow against members of a party closely identified with him. These fears probably were reinforced by Thieu's offer to resign as part of a peace settlement with the Communists.

12. Most established political parties probably will act cautiously, waiting to get a better idea of what shape the Democracy Party will take before determining their responses. Leaders of some parties which have cooperated with the government in the past are apprehensive about the future of their own groups.

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Thieu's aides, in their recruiting, are insisting that new members renounce all other party affiliations. A few prospective recruits have complained bitterly in private that the President's lieutenants are using extreme pressure--a practice that could lead to more hostile reactions in the future.

13. Most politically aware Vietnamese acknowledge the need for greater unity among non-Communist groups and admit that the government is the only organization capable of forging such cooperation. Even many politicians whose parties are endangered by the Democracy Party probably would be receptive to an overture to join, particularly if the new party appeared to be doing well. Many of these politicians have little in common with anti-government forces, and they might feel they had nowhere else to go. Most of all, they are aware of the financial rewards reaped by members of the Can Lao, and many would want to get in on the spoils if the new party seemed to offer similar benefits.

14. The opposition has shown little concern over the new party as yet. If it does develop along lines similar to the Can Lao, however, anti-government elements probably will become alarmed. Religious feeling ran high under the Diem regime and the largely Catholic Can Lao was anathema to the Buddhists. If the Democracy Party shows signs of reviving Can Lao methods, the Buddhists might abandon their current moderate opposition policy in favor of greater militancy. On the other hand, the development of the Democracy Party could have a beneficial effect on the opposition. The government ostensibly has been promoting greater political unity among the country's many diverse factions for some time, and ideally the new party could induce diverse opposition groups to unite, hopefully creating a sort of loyal opposition.

#### An Uncertain Future

15. The structure and working methods of operation of the Democracy Party are still being worked out. The performance of the Thieu government in the

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months to come probably will have the greatest bearing on the party's prospects. As long as the President appears to be firmly in control, his party is likely to prosper. On the other hand, any substantial military setbacks or serious economic or political problems could endanger the party. Similarly, any movement toward an early peace settlement probably would increase uncertainty about the government's tenure and would hamper party recruiting efforts.

16. The party's prospects will also be affected by the way Thieu proceeds. If the party comes across as an elitist authoritarian organization designed to solidify his personal control, Thieu could provoke a strong reaction. Although the President privately has indicated his intention to open up the party to mass support in the future, his past performance casts doubt on how far he will go in this direction. On several occasions Thieu has talked of broadening his government, bringing in new support, and conciliating the opposition. In practice, he has consistently moved to improve the efficiency of his administration and ensure loyalty among his ministers and advisers. The President has so far been able to justify this on the grounds that tight discipline is necessary to the war effort. Thieu's controversial election strategy last year demonstrated more than ever his overriding concern for assuring his own power position even at the risk of disregarding the trappings of democracy.

17. Despite Thieu's apparent preference for a strong, tightly controlled party, he must be aware of the pitfalls encountered by the Can Lao. The divisiveness it created was one of the factors that contributed to the downfall of the Diem regime. In moving to strengthen his position in the past, Thieu has demonstrated a knack for knowing how far he could go. He has become a more effective politician in his four years in office. His programs for the rural areas and frequent visits to the countryside have gained him considerable credit and respect. These assets should stand him in good stead by helping create the type of climate he needs to develop his party.

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18. Although some supporters of the government may hope that the Democracy Party can eventually become as well disciplined as the Communist Party, there are not likely to be many similarities between the two. The new party's members will have opposition to the Communists in common, but Thieu's party will lack the strong ideological base of the Communists. Instead it will be largely his personal creation, and it probably would not long survive if he were to leave the political scene.

19. Given enough time and a continuation of the political stability that has prevailed since the presidential election, the party appears to stand a good chance of becoming an effective political force in its own right, in part by cutting into established alliances. The most recent election campaign showed Thieu's potential for lining up support among local officials nationwide. If Thieu can institutionalize and make more effective this support, which basically is already loyal to him, he will have created the first strictly non-Communist political organization since the Can Lao to have real strength throughout the country. Moreover, if this effort goes well in the rural areas, fence-sitters including some of the urban-based political factions might get on the bandwagon. Thus Thieu's position would be strengthened appreciably over the long run, both in terms of future elections under the present constitutional system or in the event of political competition with the Communists.

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